Smart Growth Strategy Regional Livability Footprint Project

Shaping the Future of the Nine-County Bay Area



Final Report

October 2002

Smart Growth Strategy

Regional Livability Footprint Project

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Energized by an abundance of INNOVATIVE IDEAS,
the Smart Growth Strategy/Regional Livability Footprint Project
harnessed the commitment and creativity of our ***diverse population***
to both VISUALIZE and chart a course for a BETTER FUTURE.


PETER CADE


SF BAY NATIONAL WILDLIFE REFUGE

YEARS IN THE MAKING: CREATING THE VISION

In the waning months of the 20th century, a number of visionary Bay Area leaders began looking ahead to the next century: to what life will be like in the coming decades when an expected 1 million more residents and 1 million more jobs are added to this burgeoning region. In the face of the growing pains we face today — lack of affordable housing, crowded roadways and shrinking open space — they began envisioning where everyone will live and work in 2020. How will we maintain the region's beauty, natural resources, diversity and quality of life if the current growth pattern of spreading ever outward continues?

Is it possible, they asked, to change the course of current growth: to find ways for the Bay Area to accommodate its expanding populace, provide adequate housing, improve transportation, and at the same time protect the environment and preserve open space?

A tall order indeed. Challenged by the impending need and inspired by new styles of development, committed Bay Area citizens and organizations joined with local and regional government agencies to undertake the task of investigating if and how the Bay Area can grow smarter.

The investigation began in 1999, when the Bay Area's five regional agencies[1] — those responsible for transportation planning, environmental protection and regional planning — came together to promote and nurture seeds of "smart growth" that were cropping up throughout the region. At the same time, the Bay Area Alliance for Sustainable Development, a coalition of 40 organizations representing business, the environment, social equity and government, embarked on an ambitious effort to develop public consensus and support for a "regional livability footprint," that is, a preferred land-use pattern that could direct the Bay Area toward a more sustainable future. In 2000, the regional agencies and the Bay Area Alliance combined their outreach efforts and created the Smart Growth Strategy/Regional Livability Footprint Project.

Over the next two years, elected officials, business and community leaders, environmentalists, social equity advocates, planners, analysts, mapmakers, agency representatives and interested citizens devoted thousands of hours to the project. They organized, met, planned, debated, generated ideas, drew maps, made projections and analyzed outcomes. More than 2,000 residents from throughout the region attended daylong Saturday workshops held in each of the Bay Area's nine counties in fall 2001 and spring 2002. Participants conceptualized how future growth should occur in their individual neighborhoods and counties, and in the region as a whole.

Never in the history of the Bay Area have so many individuals, organizations and agencies joined forces to solve the region's growth problems. Unlike prior attempts to develop regional solutions, this project was organized from the start around the precept that widespread support was essential. In addition to a high level of commitment from the private sector and local and regional government agencies, the involvement of local communities was a key ingredient. The interest, creative ideas and participation by residents from Gilroy to Guerneville, and from Pacifica to Pleasanton provide a solid base that enables the region to move forward with a clear sense of direction.

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[1]*Association of Bay Area Governments (ABAG), Metropolitan Transportation Commission (MTC), Bay Area Air Quality Management District, Bay Conservation and Development Commission, and Regional Water Quality Control Board.*

Although much work remains, the vision developed in the public workshops represents a new way of thinking about the region's course of growth: specifically about whether and how it can be altered to meet the needs of future generations without sacrificing the quality of life we enjoy today. This alternative portrays a Bay Area yet to be, envisioned by current residents who confronted the challenge of determining how and where growth could occur. These residents maximized opportunities they saw to effect change, and designed a viable "smart growth" alternative they believe is strong enough to channel decision-making and, at the same time, flexible enough to incorporate adjustments.

Far more than a planning exercise, the Smart Growth Strategy/Regional Livability Footprint Project aims to change the underlying fiscal and regulatory structure that is at the root of current growth patterns. Project participants recognized that for a number of reasons, land-use planning in the region today is often unbalanced. Local officials of financially strapped jurisdictions frequently review new development based on whether projects will increase local revenues or cost money to service. All too often, the potential flow of new retail sales taxes into local coffers is more attractive than building housing. At the same time, environmental regulations designed to protect undeveloped areas can have the effect of impeding infill development that could reduce sprawl. And some government funding formulas for infrastructure favor large, sparsely developed areas over densely populated, but geographically smaller, areas.

Examples of how current growth patterns can change and how regional agencies and state and federal governments can support more sustainable land-use decisions constitute the heart of this report. New incentives and regulatory changes will dictate, in large measure, how and when the Bay Area can begin to grow smarter.

WHAT IS SMART GROWTH?

Smart growth does not fit a single definition, and the land-use scenario developed by workshop participants and described in this report is only one of the ways to achieve smart growth in the Bay Area. A common thread among different views is development that revitalizes central cities and older suburbs, supports and enhances public transit, promotes walking and bicycling, and preserves open spaces and agricultural lands. Smart growth seeks to revitalize the already-built environment and, to the extent necessary, to foster efficient development at the edges of the region, with the goal of creating more livable communities with sufficient housing for the region's workforce.

Participants in the Smart Growth Strategy/Regional Livability Footprint Project did not have to begin their work from scratch. There are already movements afoot and changes taking place throughout the Bay Area and the nation. Faceless strip malls are giving way to attractive, mixed-use plazas that invite walking and social interaction. High-density housing is cropping up near transit stations. Older, inner city areas are receiving facelifts and an infusion of financial investment. And development in new areas often contains elements of smart growth that its predecessors even a decade ago did not.

Smart Growth Meets Sustainability

It is these types of smart growth projects that will enable the Bay Area to meet the three key goals of sustainability for future generations: a prosperous economy, a quality environment and social equity.

The Economy

The Bay Area economy is cyclic, and is projected to recover from its current slowdown and to grow stronger over the next two decades and beyond. The region's prosperity, however, is shadowed by a persistent housing shortage. Housing construction has not kept pace with job growth, and local jurisdictions have zoned for only about half the amount of housing needed for the employees who will fill an anticipated 1 million new jobs by 2020.

CHRONOLOGY

1999

Regional agencies discuss "Smart Growth Strategy" to develop incentives, and Bay Area Alliance for Sustainable Development plans "Regional Livability Footprint" project.

2000

The two projects merge public outreach efforts.

Regionwide kick-off workshop

2001

Meetings in each county to discuss local growth issues and opportunities to collaborate

Bay Area planning directors review project.

First round of public workshops

Regionwide meeting to distill Round One workshop products

2002

Analysis of three regionwide alternatives

Second round of public workshops

Adoption of Smart Growth Vision and more specific Smart Growth Scenario

Efforts commence to advocate for needed incentives and regulatory changes.

ABAG develops policy-based projections using Smart Growth Scenario as starting point.

2003

ABAG Executive Board considers adopting smart growth policy-based projections.

GROWTH TRENDS

If current trends continue, the Bay Area will grow by 1 million residents and 1 million jobs between now and the year 2020. On the surface, that sounds like a perfect balance, but take a closer look. Already there are more jobs than workers who live in the Bay Area, with some 165,000 commuters flowing into the region each day from outlying areas. Since not all of the new residents predicted for 2020 will be part of the workforce, the worker/job gap is projected to worsen, with the number of in-commuters expected to grow. This trend has ominous implications for housing demand, traffic, air quality and open space, both within and outside the Bay Area.

An argument could be made for addressing this imbalance by curtailing the region's economy and job expansion. But fully half of the projected new residents will result not from in-migration from other areas, but from births outpacing deaths. In other words, the smart growth debate is not only about accommodating newcomers, but also about leaving livable communities for our own children and our grandchildren.

Workers today struggle to find housing they can afford; businesses face pressure to meet resulting wage needs and often have trouble recruiting employees.

By its very nature, the concept of smart growth can match the goals of a sustainable future for the Bay Area. The region's economy will benefit when its severe housing shortage is addressed, and workers can afford to live nearer their jobs. The smart growth vision developed by workshop participants does more than bridge the spatial jobs/housing gap. It provides enough units, particularly of affordable housing, to accommodate the 1 million new Bay Area residents expected by 2020, as well as enough units to house workers and their families who otherwise would have to commute from neighboring counties.

The Environment

The Bay Area's natural beauty is one of its strongest draws. Abundant opportunities to enjoy the outdoors, from coastal beaches to the Bay, oak-covered hillsides and redwood canyons, are treasured by its residents as irreplaceable assets. If the Bay Area continues to grow as it has in the recent past, however, 83,000 acres of currently undeveloped land could be covered with new structures by 2020. Amounting to an 11 percent increase in the urbanized Bay Area — an area two-and-one-half times the size of San Francisco — this development would erode farmland, greenbelts and other open spaces.

Current trends also threaten Bay Area air quality. Likewise, the region's per capita water consumption will increase under current trends that project the construction of primarily detached, single-family development in the Bay Area's hotter, inland areas.

The smart growth vision helps sustain the region's environment by promoting more compact development that can accommodate a projected population increase and at the same time, preserve much of our remaining open space. By combining shops, offices and housing in mixed-use and mixed-income neighborhoods, and locating housing and job centers within walking and bicycling distance of transit stations, smart growth will improve access to employment and services, and shorten commutes. As a result, there will be less demand to expand and build new roadways.

Social Equity

Social equity aims to ensure that people of all income levels have access to housing they can afford, good schools, reliable transportation, various types of employment, and toxic-free communities. Social equity means that all residents — particularly those in low-income brackets — benefit from new investment in their communities, gain equal access to economic opportunities and have a chance to actively participate in community planning efforts.

While recognizing the challenges to making housing, services and employment available in lower income communities, workshop participants envisioned how smart growth can reduce some of the current inequities. Construction of housing for a mix of incomes throughout the region can provide more geographic choices for low-income residents. Public transportation improvements and mixed-use development along transit lines can enhance job access, and greater housing densities in impoverished neighborhoods can spur creation of basic services such as grocery stores and child care.

While they endorsed the concept of linking smart growth to social equity, workshop participants emphasized the need to protect existing residents from displacement. Smart growth means careful management to avoid triggering changes that disrupt communities and lead to displacement and economic and social isolation.

THE WORKSHOP PROCESS

The project broadened its reach in the fall of 2001, when more than 1,000 residents participated in Saturday workshops held in each of the nine counties. Some came in their professional capacity as elected officials, planners, developers and environmental and social equity advocates. Others came as representatives of neighborhood groups or out of concern for their children's future. The mix of diverse interests made for lively discussions and negotiations about the pace, character and shape of development in their communities. Using large maps of their county, participants identified promising locations for various types of new development. Their suggestions were then fed into a special computer program that illustrated the impacts of decisions on the county's housing supply, open space, transit accessibility and other measures of livability, and allowed participants to adjust their maps accordingly.

Each county workshop produced up to a dozen schemes for accommodating future growth in a smarter way, with a cumulative total of 100 countywide scenarios for the Bay Area. The project team spent weeks combing through the proposals, searching for common threads and ultimately distilling them into three thematic smart growth alternatives for the region (see box at near right). The team then invited planning officials and business, environmental and social equity leaders from throughout the region's nine counties to review the draft alternatives. Based on this free-flowing discussion, the team made revisions to the draft alternatives to reflect local ideas and concerns.

While offering different visions of a future Bay Area, each of the three alternatives promoted the goals of smart growth. Each included housing for the million new residents expected by 2020, plus housing for workers who otherwise would commute from neighboring counties. Each allowed for expected economic growth, and at the same time, by channeling growth into a more compact and balanced development pattern, consumed less greenfield land than is currently projected.

THE SMART GROWTH ALTERNATIVES

The **Central Cities** alternative located compact, walkable, mixed-use and mixed-income development in the region's urban cores (San Francisco, Oakland and San Jose) and in each county's largest city or cities. It also emphasized growth around existing public transit stations and avoided development in outlying areas by concentrating growth in dense, vibrant cities.

The **Network of Neighborhoods** alternative called for development in many of the same locations as the first alternative, but at lower densities. Additional compact, walkable, mixed-use and mixed-income development took place in other existing communities, along an expanded public transit network and on major corridors. This alternative envisioned a rail renaissance, with new and old stations surrounded by a range of diverse types of housing, jobs and services.

The **Smarter Suburbs** alternative proposed compact, walkable, mixed-use and mixed-income development in many of the same places as the first and second alternatives, but at still lower densities. Additional growth occurred at the region's edges at higher densities than the current norm and with a better balance of jobs and housing than is typical of existing or planned new suburbs.

Each of these three alternatives represented a departure from the "current trends base case," a term coined to describe the region's future growth if nothing is done to chart a new course. The base case fails to provide sufficient housing for an increased population and workforce, resulting in continued rapid growth in outlying areas, increased long-distance commuting and further environmental degradation. It envisions development focused in edge communities, with residential areas largely segregated from other uses and continued reliance on the automobile as the primary mode of travel.

CHRISS POULSEN

PROJECT GOALS

Create a smart growth land-use vision for the Bay Area to minimize sprawl, provide adequate and affordable housing, improve mobility, protect environmental quality and preserve open space.

Identify and advocate for the regulatory changes and incentives needed to accomplish these objectives.

Develop 20-year land-use and transportation projections based on the vision and the likely impact of the new incentives — projections that will in turn guide the infrastructure investments of the Metropolitan Transportation Commission and other regional partners.

*The **biggest challenge** will be to enact the FISCAL INCENTIVES & **regulatory changes** necessary to make smart growth more than a good idea.*

PULL-OUTS

- Map. The map at the back of this report indicates the types and locations of future development as proposed by workshop participants, as well as areas to be protected as open space and agricultural land.
- Legislative Update. Central to the smart growth process are the fiscal incentives and regulatory changes needed to get there, described on pages 13-18 and in the pocket inside the front cover of this report.

The three alternatives were put to the test to see how they measured up in terms of promoting a livable and sustainable lifestyle in the Bay Area circa 2020. An extensive analysis examined the impacts of each on the environment, transportation, housing, jobs/housing balance and social equity.

The analysis further estimated the feasibility of each scenario, as well as the incentives, regulatory changes and other public policy changes identified by workshop participants that would be needed to make any smart growth process a reality.

Alternatives Report

In the spring of 2002, a comprehensive *Alternatives Report* describing the three smart growth strategies was published, thus heralding the start of a second round of county-level public forums. More than 1,000 residents, the majority of them new to the process, attended the Saturday sessions held in April and May. At each Round Two county workshop, participants voted on one alternative as the starting point for further fine-tuning. They then developed and agreed on guidelines for modifying their choice, and with the aid of county maps, adjusted this alternative to bring it closer to their vision of their particular county's future.

Regionwide Vision

Following the Round Two workshops, the nine countywide alternatives were stitched together to create a single regionwide smart growth land-use vision. The regionwide vision incorporates the choices and decisions made by participants in the nine county workshops. It reflects their selections of mixed, matched and changed alternative growth scenarios appropriate for each county.

The resulting portrait of the Bay Area's future shows a *pattern* of growth that, by and large, looks like Alternative 2, the Network of Neighborhoods. The *amount* of growth, however, varies quite a bit from county to county. The regionwide map depicts higher densities in major urban areas and a proliferation of compact, mixed-use and mixed-income neighborhoods along transit corridors, particularly near transit stations, as well as in town centers and in a handful of peripheral areas. This pattern of growth is far from a "cookie cutter" overlay of development on the region, however, and the smart growth scenario clearly shows how the amount of housing and job growth varies from county to county. This view reflects the vision of workshop participants who in some counties chose to reduce development foreseen under Alternative 2, while participants in other counties increased it.

In August 2002, the project steering committee (made up of locally elected officials who sit on the boards of the five regional agencies) adopted an illustrative, written description of the smart growth vision of workshop participants. In a separate action, they accepted the specific patterns of growth that participants had identified for each county as a starting point to guide ABAG as they develop a policy-based (rather than trends-based) set of 20-year jobs/housing projections for the region.

NEXT STEPS

In fall and winter 2002, local jurisdictions and others will review these smart growth policy-based projections as they evolve. In early 2003, the ABAG Executive Board will consider adopting these alternative projections. If adopted, they will become the backbone of the Metropolitan Transportation Commission's *2004 Regional Transportation Plan*, the document that will guide transportation investments in the region for years to come, as well as the Bay Area Air Quality Management District's clean air plans and other regional plans.

To build on the momentum that has been generated throughout the Bay Area for the Smart Growth Strategy/Regional Livability Footprint Project, an ongoing public education and engagement campaign will be spearheaded by the Bay Area Alliance for Sustainable Development.

Undoubtedly, the biggest challenge facing the project will be to enact the fiscal incentives and regulatory changes necessary to make smart growth more than a good idea. ABAG will work together with the other regional agencies, the Bay Area Alliance and local governments throughout the region to develop and pursue needed policy changes. It will take time to accomplish the goals, but the path has been laid out, and a critical mass of Bay Area residents believes it is time to begin.

The Vision

PHOTOS — NASA COLLAGE — MTC

Despite the vast differences in climate and topography within this 7,000-square-mile region, from its fog-shrouded coastlines to hot, inland valleys, and despite a wide variety of lifestyles, ethnic backgrounds and communities in which we live — from urban to suburban to rural — participants in two rounds of Smart Growth/ Footprint Project public workshops shared common views and concerns about the region's future. They took a hard look at the Bay Area's projected future: 1 million more residents by 2020 and the likelihood — if present trends continue — of longer commutes, continued outward sprawl and further encroachment on open space. They recognized the need to provide enough housing for future residents and workers through more intense development, but at the same time insisted on retaining the character and uniqueness of their part of the region. They also recognized that their county is part of the whole and that the pattern of growth they were proposing for their county must be linked to others to form a cohesive vision that will sustain and improve quality of life throughout the entire region.

PICTURE OF THE BAY AREA, CIRCA 2020

What does this collective vision of smart growth for the Bay Area hold in store? What would it be like to live here two decades from now? What changes would take place in the region's cities, towns and neighborhoods? And how would following the path of smart growth envisioned by 2,000 workshop participants differ from our present course of growth? Imagine, if you could, fast-forwarding to the year 2020 and viewing the Bay Area through the lens of smart growth, based on the vision of residents back in 2001 and 2002.

San Francisco Bay — the magnificent natural resource that gives the region its unique identity — continues to be protected, with Bay wetlands restored, more shoreline parks opened, and attractive new development built in the vibrant waterfront communities. Ribbons of rail lines stretch from northern Sonoma County to southern Santa Clara County, and from San Francisco to the far eastern reaches of Alameda, Solano and Contra Costa counties. The rail lines extend existing public transit systems with more frequent service and include a new North Bay rail line. Numerous new stations dot each line. Commercial corridors on major thoroughfares throughout the region bustle with buses and light-rail vehicles.

Adjacent to the rail stations — within a half-mile radius — and in older downtown areas, there is intensified development of various kinds: multi-family and mixed-use buildings, many with retail stores and shops on the street level offering services from cafes to dry cleaning and childcare, with residential quarters above. Significantly more housing is being constructed to match the income levels of increasing numbers of Bay Area workers. The racial mix of the Bay Area reported in the 2000 Census is even more diverse in 2020. Many more second units, townhouses and apartments have arisen in new, mixed-income neighborhoods and in communities once devoted to only one type of housing.

Local governments, aided by new state and federal policies, have been making major strides in solving the Bay Area's housing crisis, actually housing the quarter of a million Bay Area workers

who would otherwise be commuting into the region each day. These cities offer developers financial incentives to provide housing affordable to families on the lowest income rung; they enable higher densities than previously existed, including a new wave of once discouraged "granny" units built into or as additions to existing single family homes. Declining neighborhoods are revitalized and have become healthy, vibrant communities — attracting new residents and businesses, while maintaining a place for longtime inhabitants.

Collectively, these changes mean many more workers live in the Bay Area — rather than commuting from outside the region — in 2020 than would have if growth trends prevalent in 2000 had continued. In fact, there has not been an increase in daily in-commuting to the region since 2002. But, despite this shift in population to the Bay Area, traffic on the region's freeways and major roadways is no worse than it would have been had these in-commuters been living outside the Bay Area. How can this be? By living in more compact communities, with stores, services, housing and jobs mixed in closer proximity to each other, Bay Area residents of the smart growth future often walk and bicycle to their destinations. Locating more housing and job centers near bus stops and rail stations also lures commuters out of their cars. This trend greatly improves economic opportunities, particularly for residents of the region's inner city communities. Due to the much greater convenience of transit, walking and cycling, air pollutant levels will be slightly lower under the smart growth vision, even while accommodating more housing in the region.

The smart growth map of the Bay Area in 2020 shows nearly the same amount of open, undeveloped land that existed in 2002, despite two decades of population increase. Again, this reflects the concept of increasing density in already developed areas and focusing growth in existing cities and town centers and along transit corridors (including some expanded transit hubs and corridors that did not exist in 2002). New compact development also occurs in some areas that were vacant and undeveloped in 2002. Such efficient development within the region provides housing and transit access to people who otherwise would have been commuting into the region. At the same time as preserving open space within the region, the new pattern of compact growth has reduced the need to house the Bay Area workforce outside the region, thus helping protect farmland and critical habitat beyond the Bay Area.

Traveling in the Bay Area from county to county in 2020, you find that you still recognize familiar landmarks and scenic vistas and know where you are. You realize that things have not changed drastically because the growth that has taken place in the past two decades consists primarily of more intense development in existing areas. Nonetheless, vibrant communities abound throughout each of the Bay Area's nine counties. Moving from south to north, here are some highlights:

In **Santa Clara County**, growth is focused around Caltrain and new BART stations — from Palo Alto and Milpitas south to Gilroy — as well as adjacent to Valley Transportation Authority light-rail stations. A new light-rail corridor between Milpitas and Mountain View is lined with two- and three-story retail, office and light industrial buildings as well as some housing. Downtown San Jose has matured into a taller city, with many high-rise office and residential buildings near the new downtown BART stations. Mountain View and Sunnyvale have fairly high-density downtown centers with a mix of housing types for a wide range of wage earners. A new Caltrain station serves an adjacent employment center in Blossom Hill, and more jobs can be found farther south in the Morgan Hill business park. To accommodate employees in the business park, Morgan Hill has created a high-density town center with a mix of residential and commercial buildings oriented around its Caltrain station. Sunnyvale as well as some of the county's smaller cities, such as Gilroy and Los Gatos, have added apartments and townhouses in their downtown centers, creating compact neighborhoods centered around lively plazas.

San Mateo County has intensified growth along the El Camino Real corridor, parallel to the Caltrain line, and fostered higher-density development in cities along that corridor: East Palo Alto, Menlo Park, Redwood City, San Carlos and San Mateo. On the coast, the small communities of Montara, El Granada and Half

*San Francisco Bay — the **magnificent** natural resource that gives the region its UNIQUE IDENTITY — continues to be **PROTECTED,** with Bay wetlands restored, more SHORELINE PARKS opened, and attractive new development built in the **vibrant waterfront communities**.*

COURTESY OF SAVE MOUNT DIABLO. IMAGE BY BOB WALKER@IDG FILMS/OAKLAND MUSEUM

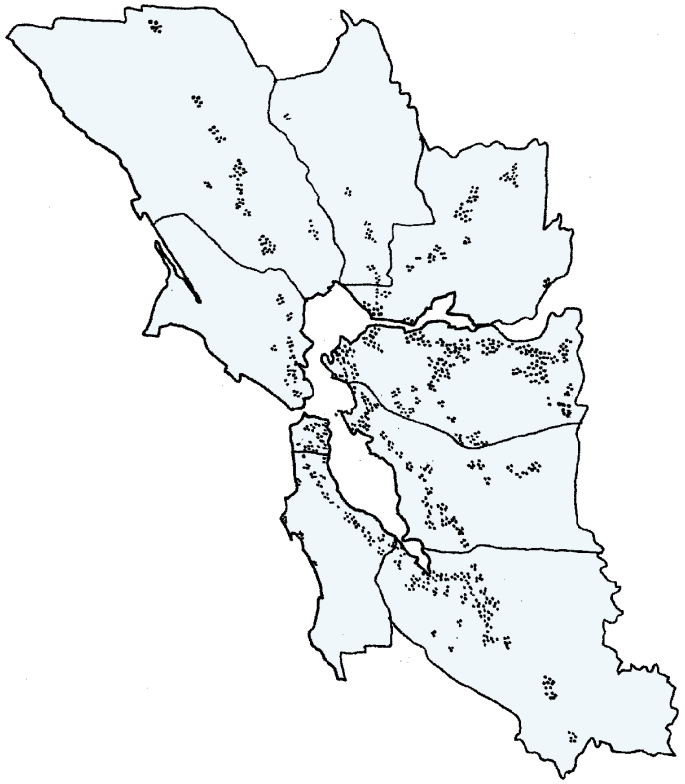
Mount Diablo

Contra Costa County has successfully ***RETAINED*** *roughly two-thirds of its land as* ***OPEN SPACE*** *or in* ***agricultural*** *production.*

Moon Bay have expanded their job centers and have added more housing for a variety of income levels. Pacifica has created a vibrant downtown center, with a substantial increase of jobs and housing. In northern San Mateo County, the Baylands in Brisbane has been developed into an employment center.

The City and County of San Francisco, pursuing a long-standing goal, has created a better jobs/housing balance by building more housing throughout the city, particularly downtown. In some residential areas, the housing increase is slight, while in other areas — extending out from downtown along major transit corridors such as Geary Boulevard and California and Mission streets — a high-density mix of offices, stores and housing is taking shape. Housing and employment have increased along the Church Street corridor, as well as in Dolores Heights and in Bayview/Hunters Point. The city also has created mixed-use centers of office, retail and housing around neighborhood BART stations, along the new Third Street light-rail line that extends from Visitacion Valley and Bayview Hunters Point to Chinatown, and near a Caltrain station relocated from Paul Avenue to Silver and Oakdale avenues. Through new fiscal policies and incentives, the city is ensuring that an adequate supply of housing is affordable to its residents in all income levels, including entry-level office workers, hotel and restaurant workers, gardeners and school teachers.

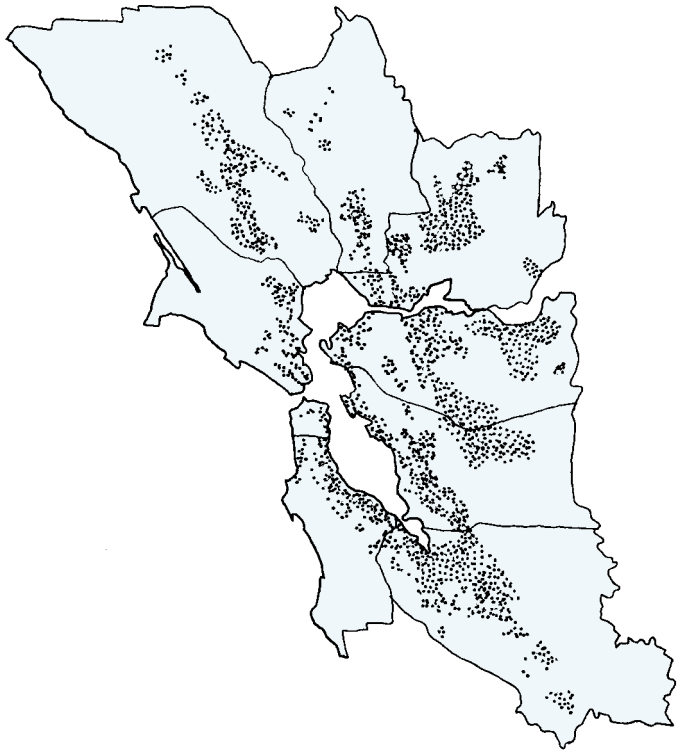
Across the Bay, **Alameda County** communities are accommodating a growing population by encouraging a slight increase in housing density in existing residential areas in close-to-the-Bay cities such as Alameda, Oakland, Berkeley, Piedmont and Emeryville. Some areas have achieved a 5 percent density increase simply by adding one in-law unit on every city block. Downtown Oakland is blossoming with high-density structures of offices, stores and mixed-income housing. Served by greatly improved ferry and bus service, the former Alameda Naval Air Station has become a moderately high-density community with a mix of three- and four-story commercial and retail buildings surrounded by one- to four-story residential buildings. Similar mixed-use development is occurring around BART stations, from Berkeley



Smart Growth Vision

THE ALTERNATIVES IN BLACK AND WHITE

These maps show in bold relief the growth patterns foreseen in the Smart Growth Vision and the Current Trends Base Case. They indicate primary areas of change that



Current Trends Base Case

include both redevelopment of already developed areas ("infill") and construction on currently undeveloped lands ("greenfields").

south to the new Irvington and Warm Springs BART stations. Mixed-use development of housing, retail and offices also is appearing along major transit corridors, such as San Pablo Avenue and Mission, Hesperian and International boulevards, and a multimodal transit center has recently opened in Union City. The city of Fremont has created a downtown center with high-rise office and residential buildings, while in the eastern part of the county, mixed-use, mixed-income development is occurring near the BART and Altamont Commuter Express (ACE) stations. The Tri-Valley cities of Dublin, Pleasanton and Livermore are preserving their surrounding areas of open land by developing compact neighborhoods within walking distance of schools, stores, services and public transit.

Contra Costa County has successfully retained roughly two-thirds of its land as open space or in agricultural production. Much of the new housing is located in and around the existing cities, with continually improving access to transportation options. New transportation linkages between Central and West County have opened the door to significant reinvestment in the downtowns and surrounding areas. The creation of new housing opportunities through creative integration with existing towns and neighborhoods has increased both housing choices and affordability. Job growth has been strong along the Interstate 80 and Interstate 680 corridors, bringing a diversity of jobs closer to Contra Costa's residents.

In an attempt to allow more residents to work near where they live, **Solano County** has sought to strengthen its employment centers. While there has been a slight increase in density in residential areas, the county has encouraged development of three- and four-story commercial buildings along portions of the I-80 corridor and mixed-use development around Capitol Corridor rail stations. Two new Capitol Corridor stations have been built, one adjacent to Travis Air Force Base and another in Dixon. Solano County has preserved its strong agricultural industry and character by focusing new development within its incorporated cities. The downtowns of Vallejo (including adjacent Mare Island), Benicia, Fairfield, Suisun City, Vacaville

WORKING TOGETHER
to create a vision
of a more
SUSTAINABLE
FUTURE
is a critical component
of the
Smart Growth/Footprint Project,
but it is just the
first step.

GENE PISCIA

Sonoma County, like Napa, ***STRIVES*** *to retain its historic rural and* ***agricultural character****.*

and Dixon have become bustling centers of employment and housing, where people walk and bicycle from home to work and to downtown stores and restaurants.

In **Napa County**, growth is occurring primarily in the southern part of the county, while the rest of the county maintains its traditional rural and agricultural character. American Canyon has developed shops and stores to serve suburban housing developments. More people work at the nearby Airport Industrial Park, which has added thousands of new jobs in the past 20 years. The city of Napa has intensified development of offices, stores and housing in its downtown core and added a mix of uses on a low-density scale in surrounding neighborhoods. New mixed-use development also is occurring at the site of the former State Hospital in the city of Napa. Housing has increased slightly in St. Helena outside the downtown area, and Calistoga has added more housing and shops in its downtown. Using a number of creative policies, Napa County and its cities are generating new housing to meet the needs of their lowest wage earners.

In **Sonoma County**, the primary new feature is a rail line that extends along the old Northwestern Pacific railroad right of way all the way from Cloverdale south into Marin County. As the line was built, new stations were added in Healdsburg, Windsor, Santa Rosa, Rohnert Park, Cotati and Petaluma. Along the line and particularly around the stations, mixed-use communities, mostly on a low-density scale, are being built for a wide range of income levels. Sonoma County, like Napa, strives to retain its historic rural and agricultural character, in part by encouraging increased housing densities in existing residential areas, primarily through the addition of second units.

In **Marin County**, as in neighboring Sonoma and Napa counties, new growth is occurring primarily in already developed areas. The Northwestern Pacific rail line continues south through the towns of Novato and San Rafael, with housing, shops and offices cropping up adjacent to the new stations. San Rafael continues revitalizing its downtown with intensified, mixed-use development, including a large percentage of affordable housing units, and a large urban office campus. The downtown areas of Fairfax, Larkspur and Marin City have seen slight increases in their residential populations, as housing units for a range of income levels are built above stores and offices. And the populations of existing residential communities are increasing slightly, primarily due to the addition of second units.

Making Vision Reality: Incentives and Regulatory Change

ARTTODAY.COM

State Capitol, Sacramento

*ALTERING decades of fiscal and regulatory tradition will require a **MAJOR SHIFT** in thinking and the creation of new inducements for smarter development patterns.*

INCENTIVES AND REGULATORY CHANGE

As participants in the smart growth workshops realized, envisioning a smart growth future is far simpler than the task of making it a reality. To build a smarter future for the Bay Area, we will need to change our tax system, our regulations on land use and the criteria we use for distributing state and federal funds. Indeed, we must change the "carrots and sticks" that shape land-use decisions by localities, neighborhoods and private developers.

Altering decades of fiscal and regulatory tradition will require a major shift in thinking and the creation of new inducements for smarter development patterns.

Local governments already have policy options they can use to promote and implement smart growth projects, but the state and federal government need to institute new incentives and regulatory changes to encourage local governments — as well as developers, neighborhood groups and others — to move ahead in developing smarter communities. Meanwhile, the Bay Area's regional agencies can help create a more conducive environment by adopting new policies and strengthening existing ones that promote smart growth.

As workshop participants confronted the challenges of initiating change, they proffered hundreds of ideas on how to cultivate smart growth projects that are emerging in various parts of the Bay Area and to propagate them throughout the region.

Listed below are brief descriptions of some of the kinds of legislative incentives and regulatory changes that could help achieve smart growth objectives. They were suggested by Smart Growth/Footprint Project participants, but are only examples. They have not been approved by the project steering committee nor by any participating stakeholder groups. Each and every incentive and regulatory change on these pages would involve trade-offs that must be thoroughly considered before any are pursued.

Objective 1: Stimulate housing construction and promote permanently affordable housing.

Remove disincentives to providing housing.

The state constitution could be amended to protect locally levied taxes from being reallocated. Under state Proposition 13 and subsequent taxpayer-sponsored initiatives, including Proposition 218, local governments have lost much of their control over tax rates and expenditure of public funds to the governor and the Legislature. If local governments were given back their share of property taxes, they would look more favorably upon new housing as a source of revenue to pay for necessary services, such as schools, fire, police, libraries and parks.

Fund neighborhood-level planning to provide certainty in development review process.

Specific plans that cover multiple development projects in a focused area can allow cities to define appropriate types of construction before a developer commits to a particular site. This process gives certainty to developers when they reach the development review process, thus encouraging desired development. New state and regional grants could help local planners prepare such plans and environmental documents for mixed-use, infill and transit-oriented projects and could link such funds to a commitment to build needed housing.

Provide incentives to promote housing affordable to the region's workforce.

Local governments can offer incentives to nonprofit and for-profit developers to create permanently affordable housing by allowing higher densities than would be otherwise permitted, expediting the permitting process, and relaxing zoning standards. Parking requirements for housing near public transit, for example, can be reduced, because residents and workers in dense neighborhoods near transit tend to own fewer cars.

NEW AND PROPOSED INCENTIVES

Several organizations have already proposed or developed ideas for incentives and regulatory changes:

Community Capital Investment Initiative
In partnership with the Bay Area's poorest communities, high priority Bay Area Alliance project to attract private investment and smart growth to these neighborhoods. **CCIIBAA@BayAreaAlliance.org**

Speaker's Commission on Regionalism
Blue ribbon committee of elected, business, environmental, labor and equity leaders from throughout California. Recently released report identifies state policy changes needed to allow regions to address economic competitiveness, persistent poverty, underemployment, traffic congestion, long commutes, unaffordable housing, and loss of open space and habitat. **www.regionalism.org**

The Urban Land Institute (ULI)
ULI's California Smart Growth Initiative is guided by business, development, environmental, social justice, civic and local government leaders from throughout the state, has identified specific priority areas and actions that the state of California should take to promote smart growth practices. **www.smartgrowthcalifornia.uli.org**

Transportation for Livable Communities
The Metropolitan Transportation Commission has tripled its Transportation for Livable Communities program, from $9 million to $27 million annually. This program funds pedestrian-, bicycle- and transit-related improvements, and includes a separate Housing Incentive Program for transit-oriented housing. **www.mtc.ca.gov**

Inclusionary zoning laws require new housing developments to include a certain percentage of units (usually 10 percent to 20 percent) that is affordable to very low-, low- and moderate-income residents. Although some feel that such policies unfairly burden buyers of market-rate units in the same development, San Francisco, East Palo Alto, Union City, Dublin, Danville, Richmond, Napa, Petaluma, Santa Rosa and several cities in Marin County have adopted such requirements.

Many communities also have adopted jobs/housing linkage fees that require all new job-generating projects to pay a fee toward the development of affordable housing. Although some feel that these fees unfairly penalize businesses producing new jobs, many communities have already adopted them, including San Francisco, Menlo Park, Cupertino, Pleasanton, Livermore and Napa. Sonoma County is considering a countywide program.

Objective 2: Improve urban infrastructure

Create a stable revenue stream for local governments (e.g., return of property taxes).

During the 1990s, the state shifted approximately $3 billion of local property taxes annually from local governments to the Educational Revenue Augmentation Fund (ERAF), which supports public schools. The loss of property tax revenue — a trend exacerbated by the difficulty of establishing new revenue sources — has caused many communities to rely primarily on development fees and retail sales taxes to fund local services. Unlike property taxes, these revenue streams can fluctuate widely from year to year, making long-term budgeting and planning difficult for local governments. Returning ERAF funds to local governments and restoring state support of public schools through other means could help reduce local reliance on fees and sales taxes and provide a more stable revenue stream for local governments.

***Parking requirements** for housing NEAR PUBLIC TRANSIT can be **reduced** because residents and workers in dense neighborhoods near transit tend to own **FEWER CARS**.*

The inside front pocket of this report contains a more detailed summary of specific legislative changes being pursued by the Smart Growth Strategy/ Regional Livability Footprint Project. A description of these legislative efforts also is available online at: **www.abag.ca.gov/planning/smartgrowth.**

ARTTODAY.COM

*The state could provide FISCAL INCENTIVES for **cleanup** of old industrial brownfield sites that are suitable for new uses.*

Prioritize infrastructure funds for smart growth infill projects.

The state could demonstrate support for smart growth by prioritizing funds to help improve and replace existing infrastructure facilities — new roads, sewer lines and other utilities — in already urbanized areas.

Provide state funds for cleanup of brownfields and to limit liability for contamination.

The state could provide fiscal incentives for cleanup of old industrial "brownfield" sites — contaminated properties — that are suitable for new uses, particularly for housing. Developers also would be more inclined to develop on such sites if limits were set on their liability for prior contamination. As an inducement to develop on contaminated infill sites, some local governments like Emeryville already post on their city's website the location of vacant parcels and their soils analysis.

Subsidize infrastructure for water recycling to ensure adequate water supply.

Subsidies for construction of separate irrigation systems would encourage use of recycled water for nonpotable uses. Similarly, price differentials for fresh versus recycled water would promote greater use of recycled water for golf courses and the like.

Link funding for new schools to smart growth criteria, such as: locating in neighborhood centers to promote pedestrian and bicycle access; designing for after-hours use as community centers; and building smaller scale structures to maximize proportion of nearby students.

Schools, both new and renovated, that also function as community centers give vitality to neighborhoods during non-school hours, while providing needed gathering places. School districts can be rewarded for developing joint community facilities in connection with new neighborhood schools.

Reward local governments for enacting smart building codes that allow retention of historic character while ensuring public safety.

The state can offer incentives to local governments that adopt building codes that allow and encourage retention of historic aspects of their communities. Creating flexible regulations while maintaining safety takes creativity on the part of planners and building officials.

Objective 3: Avoid displacement of existing residents and businesses.

Require that the existing stock of affordable housing be maintained.

Housing trust or bond funds can provide funding for existing affordable housing developments in danger of losing subsidies or tax-exempt status.

Create programs and regulations that promote living-wage jobs and services in low-income communities.

By setting a minimum wage that can support a full-time worker, the state could help foster stable communities. In addition, aggressive job training and economic development programs can be fostered by the state in low-income communities to create better job and entrepreneurial opportunities for local residents. Merchants can be encouraged to locate grocery, clothing, hardware and other types of stores and services in low-income neighborhoods to enable local residents to work, shop and generate income in their own communities.

Create programs to allow local public employees to live in the communities in which they work.

State or regional funds could be used to offer housing subsidies or income tax credits to employees who live close to their workplaces. Many local governments already provide such subsidies to teachers, police officers and firefighters.

Objective 4: Protect open space and agricultural lands.

Encourage or require communities to enact urban growth boundaries (UGBs) or urban limit lines and link such policies to development of infill housing.

By combining UGBs with local policies that encourage infill development — particularly of new housing — development can be focused in areas where infrastructure already exists. In addition to protecting our remaining open space, growth boundaries help maintain the vitality of cities by encouraging more residents to live within walking distance of services and public transit.

Provide incentives for infill development to avoid leapfrog development.

Local governments can identify and inventory potential sites suitable for infill development. They can go a step further by rezoning unused industrial areas and underutilized shopping strips for new mixed-use development, and they can adopt ordinances to allow development of second units without complex or expensive approval processes.

Objective 5: Encourage new development that reduces dependence on single-occupant vehicles.

Reward local governments for approving new jobs and housing near public transit stations.

New transportation funding could be used to encourage mixed-use development around rail and bus hubs. State and federally funded transportation programs, such as MTC's Transportation for Livable Communities and Housing Incentive programs (see box on page 15), could be expanded with increased funding.

Streamline the California Environmental Quality Act (CEQA) process for specific kinds of development.

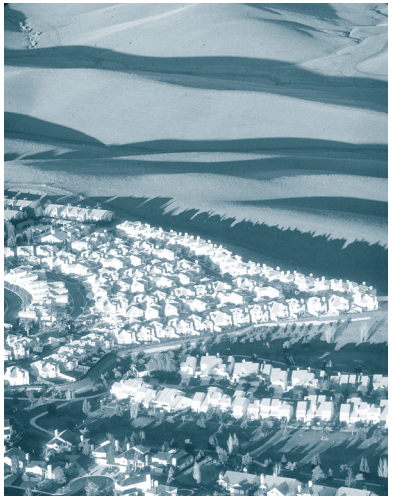
Although transit-oriented and mixed-use projects can increase local congestion by attracting more people and cars to an area, such projects can allow more residents to commute on public transit and run more errands in the surrounding neighborhood on foot. Although some workshop participants were nervous about discussing any changes to CEQA, others proposed exempting these projects from CEQA altogether or only from currently required traffic analyses. A similar exemption already exists for low-income housing projects of 100 units or less.

Provide incentives that encourage mixed-use, compact, transit-oriented, infill development.

Local governments can encourage developers to create attractive new neighborhoods near public transit, with narrow streets, landscaping and other amenities that invite walking and bicycling. Congestion management agencies can work with local jurisdictions in updating their general plans to reflect more transit-supportive land uses along the transit network and can include those new land-use scenarios in countywide transportation plans. State financial rewards for such development can help local governments, developers and others overcome biases toward single-use, spread-out developments that favor automobile use.

Provide increased funding to improve the safety, reliability and convenience of transportation alternatives such as rail, bus, ferry, bicycling and walking.

The Bay Area plans to spend 77 percent of all transportation funds over the next 25 years on public transit. This will help attract new riders. Only when it becomes easier, safer and more reliable to ride a bus, ferry or rail line than to drive a car will the choice be a viable one. Likewise, when the safety of pedestrian and bicycle pathways is assured, more people will opt to walk or bike to their destinations and leave their cars at home.



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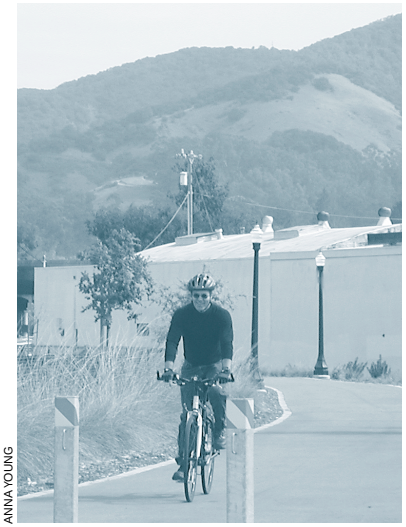
In addition to ***protecting*** *our remaining OPEN SPACE,* ***growth boundaries*** *help maintain the VITALITY of cities.*



ANNA YOUNG

When the ***safety*** *of pedestrian and bicycle pathways* ***is assured,*** *more people will* ***leave their cars*** *AT HOME.*

Provide tax bonuses to cities that approve compact, mixed-use development near public transit, perhaps in designated "smart growth zones."

"Smart growth zones" can be created in communities that reshape their land-use policies and meet smart growth criteria, in return for which they will receive tax incentives, grants, loans and technical assistance from the state for planning and environmental review.

Use parking pricing and availability to encourage use of transportation alternatives.

Free parking can serve as a disincentive to using alternatives to the single-occupant vehicle. Meanwhile, some places have such high demand for parking that people are willing to pay a fee, generating funds that could be used to improve public transit. Cities also can institute parking ceilings that limit the amount of parking in new developments.

INNOVATIVE BAY AREA AFFORDABLE HOUSING PROGRAMS

Already, Bay Area communities have created programs to spur affordable housing development. Here are some examples:

Housing Trust Funds The Housing Trust of Santa Clara County is a unique public/private partnership that has raised over $20 million, two-thirds of it from the private sector, and the remainder from public agencies including Santa Clara County and each of the 15 cities in the county, to provide first-time homebuyer assistance for 800 families, create affordable rental housing for 3,000 families, and build transitional and permanent housing for the homeless.

Flexible Zoning The city of San Jose provides for flexible zoning with its Discretionary Alternate Use policies such as density bonuses and the use of city-owned surplus land for affordable housing developments.

Farm Worker Housing Recently-passed state legislation — backed by the Napa Valley Vintners Association — allows Napa County to levy an annual fee on planted vineyards to provide and maintain housing for farm workers. Vineyard property owners who provide housing for their workers are exempted from the fee.

Bonds In 1996, San Franciscans passed a $100 million general obligation bond to create and preserve 2,400 affordable homes. Building on this success, voters will decide on a $250 million bond measure in November 2002. If passed, three-quarters of the money will fund affordable rental housing, with the balance assisting families buying their first home.

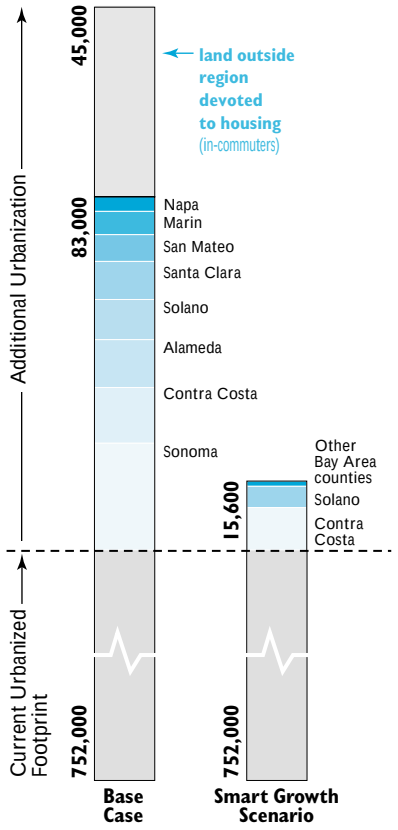
Inclusionary Zoning The city of Petaluma program requires 10 percent to 15 percent affordable homes in both rental and for-sale housing developments of five homes or more. Working with developers, Petaluma has created 1,400 affordable homes for lower and moderate income households since 1984.

Redevelopment Agency Commitments Oakland, San Francisco, San Jose and Santa Clara are raising the proportion of their redevelopment funds dedicated to affordable housing.

Location Efficient Mortgages (LEMs) These are special mortgages for housing in convenient, transit-rich neighborhoods where data show members of typical households drive less and spend less on transportation. Available through a demonstration project in the Bay Area, LEMs allow households to qualify for larger mortgages by taking reduced automobile expenses into consideration.

Jobs/Housing Linkage Programs Sonoma County and cities within the county are taking the first steps toward adopting a countywide linkage program that would require new developments to contribute funding for affordable housing. This could generate as much $35 million over the next five years, which could be combined with other funding sources to build 1,200 affordable homes.

The Vision Up Close: An Analysis of One Smart Growth Scenario



GREENFIELD DEVELOPMENT
(Acres converted in region by 2020)

TECHNICAL APPENDICES

For more detailed information behind the analysis summarized in this report, please see the online technical appendices at:

www.abag.ca.gov/planning/smartgrowth/TechAppendix.html

ANALYSIS OF ONE SMART GROWTH SCENARIO

This chapter summarizes the quantitative analysis of the specific smart growth land-use scenario developed by participants in county workshops in 2001 and 2002. The analysis provides an objective comparison of this smart growth scenario to the "current trends base case," i.e., the pattern of land use that is likely to occur if we do nothing to chart a new course.

Although this chapter analyzes the specific land-use scenario developed by workshop participants, there are innumerable ways to accomplish smart growth in the Bay Area. The analysis explores one possible model of a smart growth future for the Bay Area.

ENVIRONMENT

Greenfield Development

If the Bay Area continues to grow as it has in the recent past, 83,000 acres of "greenfields" (i.e., currently undeveloped land) could be converted to urban use by 2020. Amounting to an 11 percent increase in the urbanized Bay Area, this acreage is more than twice the area of San Francisco and will erode farmland, greenbelts, community separators and other open spaces.

Moreover, the current trends base case would not provide nearly enough housing within the nine Bay Area counties for the number of workers expected by 2020. Therefore, the housing that would need to be built outside the Bay Area to accommodate in-commuters might require as many as 45,000 additional acres, assuming today's average densities in surrounding counties.

By contrast, the smart growth land-use scenario would increase the urbanized footprint of the Bay Area by less than 16,000 acres, or 2 percent. It provides significantly more housing for new residents, but at the same time, saves highly prized open space and agricultural land — both within the Bay Area and in outlying areas such as the fertile Central Valley — by calling for compact, mixed-use communities that are close to transit lines and employment centers.

Air Quality

Loss of greenfields is not the only way that future development will impact the environment, both within the region's borders and beyond. Although a much cleaner vehicle fleet is improving air quality regardless of development patterns, air quality will suffer or improve, depending on how the Bay Area grows. All things being equal, the more that residents, workers and others depend on single-occupant vehicles, the more difficult it will be to improve our air quality. Bay Area households make approximately ten trips a day, on average, and 82 percent of these are by car. Dense, walkable neighborhoods invite residents to shop and do errands on foot, potentially reducing travel by car. When these communities are centered around public transit services that can transport residents to more distant jobs and other destinations, the air quality benefits are multiplied.

Under current growth trends, a continued Bay Area housing shortfall will require up to 265,000 workers (and their families) to live in outlying areas and commute to jobs within the region. These people will commute long distances, primarily in single-occupant vehicles.

The smart growth scenario, on the other hand, provides enough transit-accessible housing within the region to accommodate Bay Area workers who otherwise would have to live in distant towns and commute from afar. Providing more housing in the region — built in transit-rich, walkable neighborhoods — is expected to result in about the same air quality within the Bay Area as the base case, even while accommodating these additional households.

Water

Water is a precious and finite resource in the Bay Area. We import much of it from the northern reaches of California and the Sierra, and past drought years have required significant conservation to ensure an adequate water supply for all our needs.

CASE STUDY

Under the current trends base case, Santa Clara County will add 17 percent more housing units and 21 percent more jobs over 2000 levels. The Santa Clara Valley Water District* estimates that this will result in a 14 percent increase in water consumption, or 46 million additional gallons.

By contrast, the smart growth scenario developed by Santa Clara County workshop participants shows 30 percent more housing and 20 percent more jobs than 2000 levels. Despite much more household growth than the base case, the Water District estimates a 4 percent, or 15 million gallons per day, additional increase in water use.

Slightly fewer new jobs are, in part, responsible for this modest increase in Santa Clara County water demand. More credit, however, goes to the compact development pattern and greater reliance on multi-family housing in the smart growth scenario. Typically, less landscaping per housing unit surrounds these development types than is commonplace with the single-family development prevalent in the current trends base case.

A complete answer to the water supply question is more complex than this "back-of-the-envelope" analysis suggests, since the impact on water supply infrastructure is currently unknown. For instance, some retail water agencies may have to provide additional water to specific locations and their existing facilities may or may not be adequate to meet the needs in certain portions of their service areas.

**The county's wholesale water supply agency*

Water utilities and engineers are constantly searching for new sources for the region, and continually monitoring and conserving our water supply is a way of life in the Bay Area.

Smart growth can't change the fact that each new job or household requires water to serve it. In fact, with the interconnected nature of the state's water system, new development just about anywhere in California affects the same overall water supply.

But smart growth can help communities minimize water use. In the Bay Area, new development in cooler areas near the Bay requires less water than new development in hotter inland areas. The combination of compact development and more townhouses, condominiums and apartments also reduces water demand by calling for less landscaping.

Currently, each residential unit in the Bay Area uses an average of 300 gallons of water per day. Under the base case, this rate is likely to continue for new development; it might even increase since new development is projected to be primarily in hotter inland areas and to be composed of single-family homes. The smart growth scenario developed by workshop participants emphasizes development in cooler, Bay-side parts of the region, and in multi-family units. This combination of changes is expected to result in a 17 percent reduction in water consumption — down to an average 250 gallons a day — in new housing units.

Future Research

The case study at left begins a discussion about the relationship between smart growth and water demand. Future work is needed to estimate the change in demand as a result of smarter growth patterns and future pipeline and storage requirements throughout the region. Work also is needed to identify the specific regulatory changes and incentives needed — such as funding for infrastructure to allow widespread use of recycled water for nonpotable use — to promote water conservation and increase supplies.

SMART GROWTH PROJECTIONS

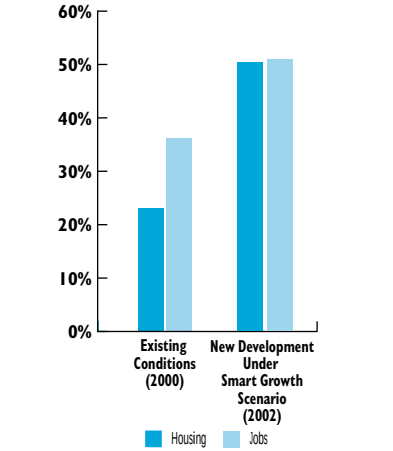
The land-use scenario developed by workshop participants shows specific numbers of new housing units and jobs — as well as the types and locations of new development and areas to be protected as open space and agricultural land. The same information also is being used by ABAG as the *starting point* for a new set of regionwide, policy-based growth projections.

The specifics of the smart growth scenario analyzed in this chapter may change in the future as ABAG seeks public comment and input from local governments in the process of developing these policy-based projections. (Please see project website for review opportunities: www.abag.ca.gov/planning/smartgrowth.) It also is important to recognize that a series of incentives and regulatory changes, such as those discussed beginning on page 13, are critical variables in estimating an alternative future.

MTC estimates that the land-use pattern in the SMART GROWTH SCENARIO would ***encourage*** *more residents to walk, BICYCLE or take* ***TRANSIT*** *to work than the base case.*

PROXIMITY OF NEW HOUSING AND JOBS TO EXISTING TRANSIT

Percent of new development near rail or frequent bus service



TRANSPORTATION

Most of the Bay Area, like many U.S. metropolitan regions, grew after World War II with spread-out communities of housing, stores and offices segregated from each other; developers and officials assumed that people would drive from place to place. Today, only about a quarter of the region's residences and a third of its jobs are within convenient walking distance of a rail station or bus stop with frequent service. Since little new development is expected in already-developed areas, if current trends continue, these figures are likely to shrink.

In contrast, under the smart growth scenario, fully half of all new development would be near frequent public transit service. This dramatic improvement reflects a common theme of the smart growth scenario: New development in compact, mixed-use communities near high-quality public transportation.

A comprehensive analysis of the three smart growth alternatives arising out of the first round of workshops, conducted by the Metropolitan Transportation Commission (MTC), projected that all three alternatives would result in more people riding transit, walking and bicycling to their destinations than would the base case growth scenario. (See Alternatives Report, pp. 10-11). Based on this earlier analysis, MTC estimates that the land-use pattern in the final smart growth scenario developed by workshop participants also would encourage more residents to walk, bicycle or take transit to work than the base case.

How can the smart growth scenario — which houses many more workers within the region than the base case — allow people to travel less by car? By locating more jobs and housing where many short trips can be made on foot and longer ones by transit. If current trends continue, there will be no change from today in the percentage of trips using public transportation. Under the smart growth scenario, MTC estimates the number of public transit riders to increase by one third over current levels.

Congestion

MTC further estimates that the total number of vehicle miles traveled in the smart growth scenario — both for work trips and total trips — would be only slightly higher than in the base case despite the fact that it provides housing for a quarter million more residents than the base case. Furthermore, average commute speeds are expected to be about the same as in the base case, indicating that peak hour traffic would not be any worse. However, localized traffic congestion could worsen in areas with intensive new infill development.

Auto Ownership

With many more people riding transit, bicycling and walking, does this mean that households in this smart growth future will own fewer cars? Typically, there is a strong correlation between household income and auto ownership and the amount of travel by automobile. Since the smart growth scenario calls for a tremendous amount of new housing affordable to very low- and low-income families, it follows that more Bay Area residents would be riding public transit as a result of income alone. (Note: There are some important Bay Area exceptions to this rule of thumb. In some of today's densest and most upscale neighborhoods, many households rely on public transit, despite being able to afford owning and operating a car.)

In order to isolate the effect of smart growth on public transit ridership, MTC's analysis assumes a distribution of household income regionwide similar to that expected in the current trends base case.

Using this assumption, MTC finds a significant increase in the proportion of households with zero automobiles, in contrast to the base case in which the number and share of households with no automobiles is expected to decrease over the next two decades. This, again, reflects the large numbers of new housing units and jobs in central areas, well served by public transit, that are included in the smart growth scenario.

HOUSING

Affordable Housing

Housing in the Bay Area currently ranks as the most expensive in the nation, and despite an economic downturn, housing prices continue to climb[1]. While existing homeowners may welcome the escalating value of their homes, the ever-increasing cost of housing has a negative effect on the region's economy and is skewing its demographics. Companies that cannot attract employees to relocate to the Bay Area consider moving to other parts of the state or nation where housing is less expensive. Young people who are priced out of the housing market here decide to move to areas where they can buy homes and raise their families. Teachers, police officers, firefighters, librarians, medical workers and many other professionals essential to the welfare of each and every Bay Area community find that their incomes do not go far enough toward buying or renting a place to live in the Bay Area. The situation is even bleaker for very low- and low-income families and people without stable incomes.

The Bay Area has not been building enough housing in general, and particularly not enough affordable housing. The undersupply of housing has driven prices up for everyone. Middle-income households outbid lower income households for modest units, and wealthier households outbid everyone else for housing originally built for middle-income residents.

WAGES FOR REPRESENTATIVE OCCUPATIONS IN THE BAY AREA	
3-PERSON MEDIAN HOUSEHOLD INCOME (1 WAGE EARNER)	$64,000
Very Low Income: (less than 50% of median)	
Child Care Worker	$20,000
Retail Salesperson	$23,500
Truck Delivery Driver	$27,600
Medical Assistant	$27,900
Low Income: (50% – 80% of median)	
Emergency Dispatcher	$41,800
Elementary School Teacher	$48,000
Fire Fighter	$50,300
Loan Officer	$50,800
Moderate Income: (80% – 100% of median)	
Computer Support Specialist	$55,200
Landscape Architect	$56,100
Police Patrol Officer	$63,600
Registered Nurse	$63,800

Salaries are calculated as the simple mean of the annual wages for the five Bay Area PMSAs
Source: HUD 2001 Income Limits; CA EDD 1998 OES (Escalated to 2001); BAE

From 1988 to 1998, the Bay Area produced 251,000 housing units — enough for 375,000 workers — while the number of jobs increased by nearly 500,000, forcing thousands of workers and their families to seek housing outside the region. Of these units, only about 100,000 were affordable for very low-, low- and moderate-income families, while almost twice that many units were needed for these segments of the population.

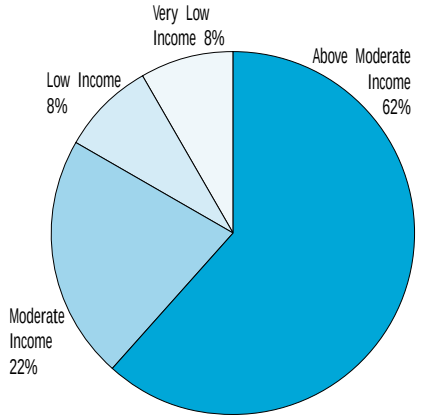
An increase in the total supply of housing, including apartments, condominiums, and rental and owner-occupied houses, is critical for the economic stability and overall well-being of the region. Involvement of both for-profit and nonprofit homebuilders in the smart growth process is vital to determining how to increase the production and affordability of housing. Without government assistance and subsidies, however, housing affordable to low- and very low-income households likely will remain unobtainable.

The smart growth scenario developed by workshop participants calls for construction over the next 20 years of 340,000 more housing units than the base case. This alternative growth scenario also greatly increases the proportion of new housing affordable to very low- and low-income households — 41 percent — far outpacing current trends in affordable housing production. In recent years, the Bay Area averaged only 23,000 new housing units per year, with 16 percent of them affordable to lower income families.

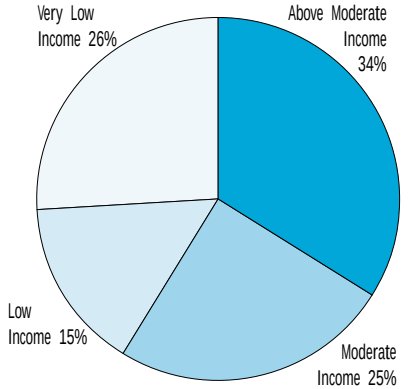
To meet the housing goals of smart growth workshop participants, new incentives and regulatory changes will be needed to counteract existing forces that discourage local governments and developers from supporting or building residential, mixed-use and compact development. In addition, special incentives will be needed to provide the levels of very low- and low-income housing envisioned by participants.

1 *"Cost of Land Drives Home Prices," San Jose Mercury News, August 4, 2002.*

AFFORDABILITY OF NEW HOUSING UNITS



Base Case

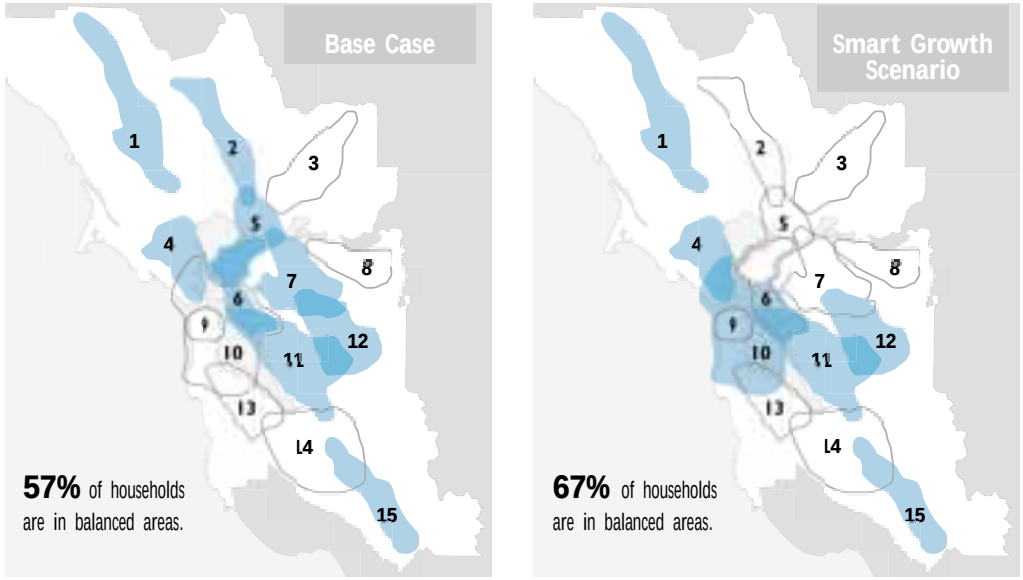


Smart Growth Scenario

JOBS/HOUSING ANALYSIS AREAS

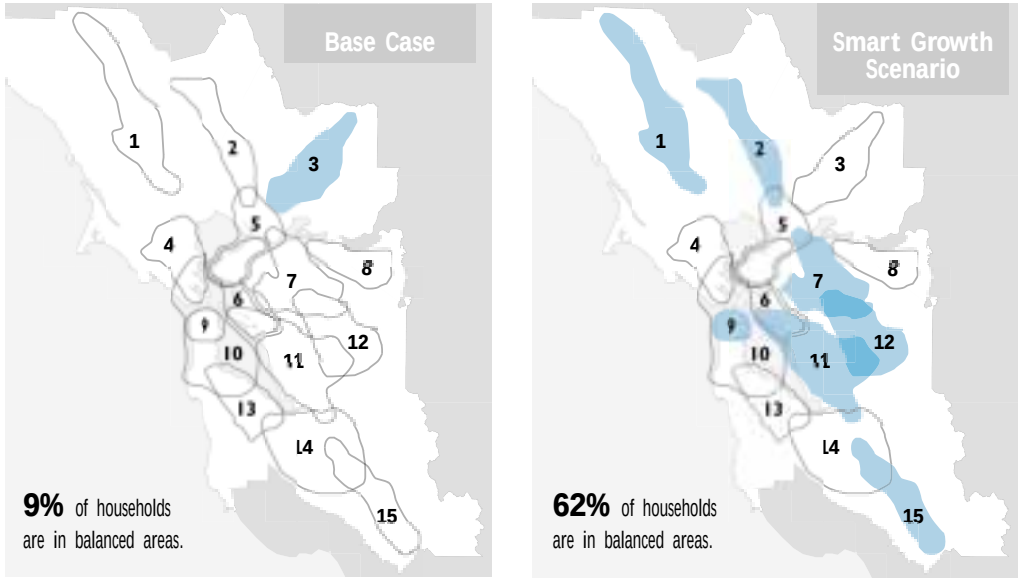
1. **Central Sonoma County** Healdsburg to Petaluma along Highway 101. Includes Sebastopol along Highway 12 and Highway 116 corridors.
2. **Napa County** Calistoga to American Canyon along Highway 29 through the Napa Valley. Includes Angwin and Pope Valley, northeast of St. Helena.
3. **Central Solano County** Dixon through Cordelia along I-80.
4. **Marin County** Novato through Sausalito along Highway 101. Sir Francis Drake Boulevard through Lagunitas. Includes most of urbanized Marin County.
5. **Carquinez Strait** American Canyon, Vallejo, Benicia and western Contra Costa County, centered around Carquinez Strait and along San Pablo Bay.
6. **Western Contra Costa/N. Alameda** Crockett through Oakland and Alameda along I-80, along the east shore of San Francisco Bay.
7. **Central Contra Costa** Walnut Creek, Concord and Pleasant Hill at core. Danville and Blackhawk through Martinez along I-680. Lafayette, Moraga and Orinda along Highway 24. Also includes Benicia.
8. **Eastern Contra Costa** Martinez through Brentwood along Highway 4.
9. **San Francisco** Includes only the city.
10. **Greater San Francisco** Radiates out from San Francisco to San Rafael (Marin County), San Leandro (Alameda County) and Belmont, Foster City and Pacifica (San Mateo County).
11. **Central/Southern Alameda** Oakland through Milpitas on I-880 along east shore of San Francisco Bay. Also extends along I-580 & I-680 corridors through Dublin and Pleasanton.
12. **Tri-Valley** Alamo to Pleasanton on I-680. Also extends to Livermore along I-580.
13. **San Mateo** San Francisco International Airport and Millbrae through Palo Alto along Highway 101. Includes the hills of Woodside and Portola Valley.
14. **Silicon Valley** Northern borders of Santa Clara County (including Palo Alto and Milpitas) through San Jose, including Coyote Valley.
15. **Southern Santa Clara County** Downtown San Jose to Gilroy along Highway 101.

HOUSEHOLDS IN AREAS WITH JOBS/HOUSING BALANCE
by key commute corridors



DESIGN, COMMUNITY & ENVIRONMENT and MTC

HOUSEHOLDS IN AREAS WITH NEW JOB PAY MATCHED TO NEW HOUSING COST *by key commute corridors*



MAPS

These maps illustrate 15 key corridors or commute areas around the Bay Area. The maps at the top compare total units of housing to total jobs in the year 2020 in each of the commute areas. Under the smart growth scenario, an impressive 67 percent of Bay Area households would be in areas with a balance of workers and jobs (assuming 1.5 workers per household). By comparison, under the base case (which perpetuates current growth patterns) only 57 percent of households would be in balanced areas.

The second pair of maps looks at the match between the pay scales of new jobs and the cost of new housing in each area. The differences here are more stark, with the smart growth scenario providing a match of new housing costs and local incomes for 62 percent of new households, while the base case achieves such a match in just 9 percent of households.

Areas where at least 85 percent of households are in balance/match are coded blue.

Jobs and Housing

At its core, smart growth is about providing sufficient housing in the right place (i.e., close to jobs and/or public transit nodes) and at the right price, with a mix of units appropriate to residents' income levels and needs. The quartet of maps to the left tells a story about how the smart growth scenario sketched out by workshop participants would shift the region's housing equation to better align housing supply and demand.

The Balance Between Jobs and Housing

Some people believe that the solution to the Bay Area's chronic and worsening commute traffic is a better balance of jobs and housing. According to this theory, if all our communities had sufficient housing for their workers, then enough people could live within a short drive or walking or biking distance of their jobs to put a dent in congestion.

To assess the relationship between jobs and housing, this analysis looks at 15 overlapping commute areas (see maps on page 24). Each is oriented around one or more existing job centers and extends to include housing within about a half-hour commute or less, by any mode. An analysis area is considered to have an acceptable balance if the number of jobs and employed residents within that area are within 15 percent of each other.

Because jobs/housing issues are complicated, two different types of jobs/housing relationships are assessed. First is the relationship between the total of future jobs and housing units in each analysis area, including existing and future growth. Second is the relationship between new jobs and new housing.

A Look at the Totals

One school of thought says that smart growth efforts must improve the balance of total jobs and housing in each community. Therefore, unless we create communities with overall jobs/housing balances, we will perpetuate current conditions in which many Bay Area residents have to drive long distances to work.

Because of its dispersed development patterns, the current trends base case would result in a balance of total jobs and housing in nine of the 15 analysis areas — accounting for just 57 percent of Bay Area residents — in 2020. The base case's strong job growth without companion housing growth to support it is responsible for this low number.

By contrast, the smart growth scenario would result in a total balance of jobs and housing for 67 percent of Bay Area households. Almost 20 percent more people would live in a "balanced" area under the smart growth scenario than under the base case because of the greater proximity of new housing to employment centers and increased interest in mixed-use development.

Focusing on New Growth

Another school of thought contends that striving for a total balance of jobs and housing is neither realistic nor advisable. Given that current Bay Area residents already have their jobs and homes, proponents of this line of thinking suggest that it is more important to try to balance job and housing growth only in new development.

Looking at the relationship between new jobs and housing also makes it possible to add another dimension to the analysis: jobs/housing match. An analysis of match considers how the cost of new housing available in each area compares to the pay scales of new jobs in the same area. Such an analysis is not meaningful when assessing total jobs and housing supply, since the Bay Area's current housing prices preclude a match between housing costs and incomes in most markets. But it is possible to see whether the projected incomes from new local jobs would be high enough to allow new workers and their families to afford new nearby housing.

Under current trends, there would be a very poor match between future jobs and housing. Development, under the current trends base case would lead to a match of new housing costs and local incomes in just one analysis area, accounting for only 9 percent of the total household growth projected under the base case.

Under the smart growth scenario, the picture improves dramatically. There would be an acceptable match of new jobs and new housing in seven of the analysis areas, incorporating 62 percent of all new households.

Just 9 percent of new housing in the BASE CASE would be ***affordable*** *to new nearby workers. Under the SMART GROWTH SCENARIO, the picture improves dramatically:* ***62 percent*** *of new households would be AFFORDABLE to new nearby workers.*

The SMART GROWTH SCENARIO envisions a ***46 percent increase in housing*** *in the region's most impoverished communities — more than THREE TIMES that of the base case.*

KEAREY SMITH

SOCIAL AND ECONOMIC EQUITY

Social equity within the smart growth framework means that people of all income levels have access to good schools and various types of employment. It means that low-income residents in particular benefit from new investment in their communities and have access to affordable housing and reliable transportation. Social equity gives all individuals access to economic opportunities, mitigates displacement caused by rapidly increasing housing costs, and promotes active engagement and participation by all residents in community planning efforts.

Under both the current trends base case and the smart growth scenario, the Bay Area's population and job growth will present challenges and opportunities for lower income communities, and for making housing, services and employment available to residents of impoverished neighborhoods throughout the region. Smart growth strategies have the potential to reduce some of the current inequities in these areas. If not managed well, however, smart growth could trigger changes that disrupt communities and lead to increased displacement, and more economic and social isolation.

To assess these issues, growth envisioned under the smart growth scenario in impoverished communities throughout the Bay Area was compared to growth expected in these neighborhoods if current trends continue. A community is considered impoverished if the median household income is less than 80 percent of the county median income. This analysis looks at a total of 38 such communities, which are spread throughout the nine-county Bay Area. (See map page 27.)

Growth Patterns in Impoverished Communities

The population and job growth rates of Bay Area impoverished communities show major differences between the base case and the smart growth scenario, particularly in household growth.

Under the base case, the number of households in the region's most impoverished communities would grow by only 15 percent through 2020, and employment by 24 percent. In contrast, the smart growth scenario envisions a 46 percent increase in housing — more than three times that of the base case — and a 32 percent increase in jobs by 2020.

If managed well, the sizable increases in household and job growth foreseen for impoverished areas would provide a significant opportunity to create healthy, diverse, mixed-income communities and give low-income residents access to quality affordable housing.

Job Skill Level

Unless residents have needed job skills, however, providing more jobs in the region's impoverished communities will not help improve standards of living, even if wages are high enough to cover local housing costs. Over recent decades, there has been a decline in traditional high-paying manufacturing employment and a stronger focus on the information-based "new economy." In the next 20 years, most jobs commanding incomes sufficient to raise a family above the poverty level will continue to require high levels of education and job skills, regardless of the pattern in which growth occurs.

Local workers in impoverished communities may not qualify for new jobs in their areas without aggressive job training and economic development programs. Thus training and education must be part of any smart growth scenario.

Commercial Services

The region's impoverished communities have far fewer retail establishments than their demographics would suggest they can support. The lack of retail stores means that more money than necessary leaves these neighborhoods; residents need to travel long distances to meet their basic shopping needs; and few local retail jobs and businesses are created as a result of residents' spending. Even in impoverished communities that are well-served by public transit, it is often difficult to carry groceries, take children to childcare and run other errands on the bus or train.

The smart growth scenario would strengthen the ability of low-income communities to support services by increasing residential densities, boosting the number of nearby workers, and expanding the proportion of relatively higher income residents in these areas. All three factors — density, employees and income-mix — would contribute to a stronger market for many goods and services, which in turn would attract retailers.

Under the base case, existing conditions in impoverished neighborhoods would change much less, creating little impetus for new retail development.

Overcrowding

The tight, expensive Bay Area housing market has forced two or more families to share housing units designed for a single family, particularly in the region's low-income neighborhoods.

Significant new housing construction in low-income communities, as foreseen in the smart growth scenario, can help to address this issue, provided that new units are offered at prices affordable to people living in overcrowded units in these neighborhoods.

The base case has less capability to address overcrowding since it includes far less new housing development in the region's most impoverished areas.

Access

The physical access of residents to employment and the larger region is another key issue in planning for equity. Even though impoverished communities are often traversed by major mass transit routes, many are currently lacking adequate transit service, especially during reverse commutes and off-peak hours. Poor transit accessibility can prevent lower income residents from reaching jobs for which they are qualified.

Increases in residential densities in impoverished communities would bring a potential increase in the number of transit riders and thus encourage bus and rail operators to add service in these areas. A concerted effort would be required to ensure more transportation options, since without them, impoverished communities will remain isolated, with potentially even more underserved residents.

The base case offers significantly ***less opportunity*** *for economic revitalization than the SMART GROWTH SCENARIO, AND could result in FURTHER STAGNATION of these communities.*

VALLEY TRANSPORTATION AUTHORITY [VTA]

*The substantial **growth** in the region's IMPOVERISHED COMMUNITIES proposed in the smart growth scenario can lead to important **new opportunities** in housing, retail services and transit.*

Displacement and Neighborhood Change

As noted above, the substantial growth in the region's impoverished communities proposed in the smart growth scenario can lead to important new opportunities in housing, retail services and transit. But if this growth is not well managed, it could lead to displacement and instability. Lower income renters and businesses in neighborhoods that currently have relatively affordable building stock and access to downtown districts are the most likely to experience displacement as higher income renters and businesses move in. Programs to minimize displacement must be included in any smart growth scenario.

Much less growth would occur in low-income communities in the base case than in the smart growth scenario. Therefore, residents and businesses would feel less displacement pressure. At the same time, the base case offers significantly less opportunity for economic revitalization, and could result in further stagnation of these communities.

Capitalizing on Change

In order to capitalize on opportunities to revitalize lower income communities, while also discouraging displacement, the smart growth scenario relies on parallel strategies for reinvestment and affordability. Here are some of the policies that residents of these communities believe could help bring about needed improvements:

- Train and educate local residents to help them qualify for new, local jobs.
- Develop new jobs in low-income communities that are targeted to the current skill levels of local residents.
- Increase transit-oriented development and alternatives to single-occupant auto travel to improve access to new and existing jobs and services throughout the region.
- Provide new business opportunities in low-income neighborhoods targeted to local firms and residents.
- Build affordable housing throughout the region to avoid concentration in impoverished communities.
- Address current overcrowded conditions by giving existing residents priority for new units in a given neighborhood.
- Maintain affordability of existing housing through methods such as new financing for long-term subsidies set to expire soon.

DEVELOPMENT FEASIBILITY

Smart growth will not occur easily. Land supply, market forces and local regulations all have the potential to stand in the way of new kinds of development and growth patterns.

This section estimates how "doable" the smart growth scenario might be, and the previous chapter (beginning on page 13) lists incentives, regulatory changes and other public policy changes identified by workshop participants that might help to make any smart growth dream a reality.

Marketability

Today, about 62 percent of Bay Area housing consists of single-family homes. Single-family homes made up a slightly higher proportion — two-thirds — of housing built in the region in the 1990s, though this trend varied considerably by county. More than 87 percent of new Solano County housing units fit this description, while only half in Santa Clara County and just 10 percent of new housing in San Francisco were single-family homes. If current trends continue, two-thirds of the new housing units expected to be constructed in the region through 2020 also will be single-family, distributed by county in similar proportions to those in recent history.

The smart growth scenario drawn up by workshop participants reverses this trend, with 66 percent of new housing to be built as townhouses, condominiums and apartments and 34 percent as single-family homes. Adding units in these proportions would slightly alter the total regional housing stock mix by 2020, from 62 percent to 57 percent single family.

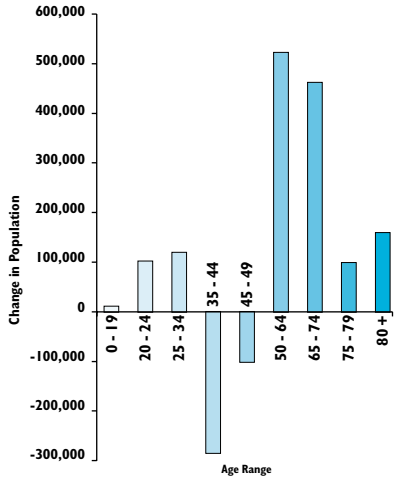
Under the smart growth scenario the changes in new housing types in eight of the region's nine counties would be substantial, as local communities strive to provide sufficient housing for a growing population on a limited supply of available land.

The higher level of multi-family units in the smart growth scenario compared to the base case raises some important questions. Would people in the Bay Area flock to multi-family and attached housing? Or will hordes of Bay Area commuters continue to migrate to the Central Valley in pursuit of the American dream of owning a single-family home with a big back yard?

In a 2000 survey, the Home Builders Association (HBA) of Northern California found that 43 percent of shoppers looking for a home in single-family subdivisions were "mainly considering a single-family home."[1] Yet in the same survey, 42 percent of potential home buyers said they would be willing to buy a higher density, attached housing unit if it meant living near their work, and it cost no more than a conventional single-family home in an outlying area. This same interest in more compact housing types in exchange for a shorter commute has been found in studies conducted for downtown Oakland and downtown San Francisco, particularly among young, single workers and "empty nesters."[2]

On a national level, too, acceptance of smart growth design principles, such as smaller lots and more compact development, is growing. One study of 2,000 buyers of both newly constructed and resale homes noted, "Often what buyers want is NOT what they get. One of the main reasons behind this is that they couldn't find what they wanted in their markets."[3] This study found that homebuyers wanted less sprawl and more "small town," pedestrian-oriented shopping and gathering places.

Changes in the Bay Area's demographics also may support the construction of more multi-family units. Household types, such as young singles, childless couples, "empty nesters" and the elderly, tend to be attracted to urban infill housing. These groups are expanding in the Bay Area, which is expected to undergo a dramatic change in its age composition in the next 20 years. As shown on the chart to the right, the 20- to 24-year-old and 55-and-over population groups together are expected to increase by over 1.2 million people in the next 20 years. Both have relatively high proportions of people who are interested in small units, senior and assisted housing, compact housing near workplaces and urban amenities, and other types of infill housing.



BAY AREA POPULATION CHANGE BY AGE GROUP (2000–2020)

***Changes** in the Bay Area's DEMOGRAPHICS will support the construction of more MULTI-FAMILY units.*

ARTTODAY.COM

*If **current patterns** continue, TWO-THIRDS of new housing built by 2020 would be **SINGLE-FAMILY . . .** . . . The smart growth scenario proposes to **reverse that trend**, with townhouses, condos and apartments making up two-thirds of new units.*

EDEN HOUSING, INC.

These trends, taken together, suggest that there could be increasing market demand for the types of housing foreseen in the smart growth scenario developed by workshop participants. As stated in a national study of future housing demand, "Since the driving force for the future is age-based growth of households that have largely completed child-rearing, the residential future of cities may well depend on how they appeal to people in life's later stages."[4]

Available Land Supply

During the Smart Growth Strategy/Regional Livability Footprint workshops, participants were encouraged to envision future Bay Area development patterns over a 20-year period without explicit regard for whether new development would fit on current vacant lands. Instead, participants placed development on lands they considered appropriate for either development or redevelopment over the next 20 years. But, since the smart growth scenario envisions a variety of building types in each place, many existing structures would be consistent with the vision of workshop participants.

An analysis of the smart growth scenario compared the proposed development patterns and densities desired by workshop participants in each planning area to the amount of vacant land, according to county assessor parcel data published by Metroscan. The goal of this "fit" analysis was to determine the number of acres that would need to be redeveloped to accommodate the smart growth scenario. The analysis assumed that new growth in each planning area would first occur on vacant land, and that other land in each planning area would be redeveloped to accommodate any remaining growth.

The "fit" analysis found that the smart growth scenario, depending on the density of development, would require the redevelopment of approximately 48,000 acres. By contrast the base case would require almost no redevelopment, since it presumes that most new growth will take place on currently undeveloped sites. Redevelopment sites generally contain underutilized and older buildings. They typically occur along older transportation corridors, in obsolete industrial areas or on large surplus sites such as the Alameda Naval Air Station and San Francisco's Mission Bay.

Over the 20-year planning horizon, the redevelopment foreseen in the smart growth scenario would require about 2,400 acres per year. While this level of redevelopment is ambitious, it also may be quite feasible, given that redevelopment projects are common throughout the region and that it amounts to just 0.3 percent of currently urbanized land (or 5 percent over 20 years). However, it might exceed the capacity of the marketplace, and will likely face resistance in some areas from "NIMBYs" — proponents of Not In My Back Yard — who oppose change in their communities. Beginning on page 13, the Incentives chapter of this report discusses policies and regulatory changes that might help to address these issues.

Financial Feasibility

It will take more for smart growth to succeed than interested buyers and enough building sites. In order for developers to build compact, infill and transit-oriented development, it needs to be financially feasible. Both for-profit and nonprofit developers must make their projects "pencil out" if they are to build them. Government subsidies can help in some cases to make ends meet, but in the long run, infill development costs (including a reasonable profit) cannot exceed the rent or purchase price that future residents will be willing and able to pay.

The financial feasibility of new development in the region will vary substantially depending on a host of factors, including location, timing, national economic trends, local market conditions, land prices, construction costs, local regulations, and the financial requirements of developers and investors. Due to the complexity and variability of each of these factors, this analysis does not look at the financial returns of future development projects. However, all of the types of development in the smart

growth scenario are based on multiple real-world examples from the Bay Area, many of which were recently constructed, suggesting that, at least under some conditions, the development foreseen in the smart growth scenario can be financially feasible.

Since the base case anticipates that most new growth will occur on currently undeveloped sites, it would result in more large-scale development projects and create lesser financial challenges for a developer than the smart growth scenario, which primarily calls for development to occur in already-developed areas. If there is no change in the current mix of rewards and incentives for development, smart growth development will be more difficult to achieve than the base case, due to its reliance on more expensive, already-developed sites.

The challenge
is to make COMPACT,
infill *and*
TRANSIT-ORIENTED
development
FINANCIALLY
FEASIBLE
for builders.

1 HBA News, June 2000.

2 *Old Town Square Market Feasibility Study* (BAE 1997), *and Demand for Downtown Housing in South San Francisco* (BAE 2000).

3 *Community Preferences: What the Buyers Really Want in Design, Features, and Amenities* (American LIVES, Inc., 1999).

4 *The Implications of Changing U.S. Demographics for Housing Choice and Location in Cities* (Martha Farnsworth Riche for the Brookings Institution, 2001).

The Colors of Growth

Opposite is a pull-out poster with two views of how the Bay Area could evolve between now and the year 2020. On the left is a map depicting the smart growth scenario showcased in this report. On the right is a map of the current trends base case, inviting a comparison between a continuation of "business as usual" development patterns versus a turn toward a smarter future.

On both maps, the current footprint of development appears as light gray. A light sprinkling of dots on the smart growth map indicates areas that would remain largely intact but where minor changes would occur — such as a 5 percent density increase, much of that attributable to the addition of granny units to single-family homes.

On the map depicting the smart growth scenario, three color families mark significant new development of various types (see keys). What distinguishes one color family from the next is the degree of emphasis on housing versus the emphasis on jobs. In fact, the three color families together represent a continuum. Various shades of brown are reserved for new residential neighborhoods, which, by definition, incorporate very little employment. At the other end of the spectrum are various shades of purple, which designate new employment centers, educational institutions and other uses that for the most part exclude housing. In the middle of the jobs/housing continuum fall various shades of red, which signify mixed-use and town center development. Within all three color groupings, the darker the shade, the higher the density of that particular type of development.

Look closely at the two maps — smart growth on the left vs. base case on the right — and you'll begin to see how a turn toward a smarter future will rein in the footprint of development in the nine-county San Francisco Bay Area. By dialing up the density in central cities, town centers and around transit hubs via infill development, the Bay Area has an opportunity to protect valuable agricultural lands and irreplaceable natural assets at the region's fringes.

Project Web site: www.abag.ca.gov/planning/smartgrowth/maps.html

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